MARTIN HEINRICH 1ST DISTRICT, NEW MEXICO

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Congress of the United States Couse of Representatives

May 27, 2009

The President The White House Washington, DC 20500

Dear Mr. President:

Yesterday, I had the opportunity to sit down with several of the auto dealers in New Mexico's First Congressional District to discuss their concerns regarding the restructuring and dealership consolidation programs that have been announced by Chrysler and are expected from General Motors. I spoke to independent dealers who both did and did not have dealerships on the Chrysler consolidation list. The uniform concerns expressed by all were a lack of understanding of how closing independent dealerships would save money for the auto manufacturers, and a lack of any public, transparent, and metric based methodology used by Chrysler and General Motors to determine which dealerships would be selected for closure.

These family-owned businesses, which have years of demonstrated profitability and award winning service, are desperate for answers. On behalf of the independent dealers in my District, I ask that the White House Task Force on the Automotive Industry ("Task Force") bring these questions to Chrysler and General Motors and insist on answers that will provide a true understanding of the current situation. For the sake of their futures, and those of their employees, the independent dealers deserve the truth and fair dealing from Chrysler and General Motors.

While I am aware that the Task Force played no role in selecting which dealerships, or how many of them, would be closed, I do believe that the Task Force can play a critical oversight role to ensure that dealerships that are profitable and meeting the terms of their franchise agreements are not forced to close without justification. As part of this oversight, I would like to see a visible metric in place so that independent dealers can understand why one dealership was selected for closure while another was not. Transparency is very important to the dealers in my District.

The independent dealers I spoke with yesterday have a long history of supplying high-quality service and support to their customers, contributing considerable tax revenue to our state, and providing good jobs for working families in my District. I am concerned that closing these dealerships will not have the outcome that Chrysler and General Motors hope for but rather create additional financial insecurity in our local economy.

COMMITTEE ON ARMED SERVICES
SUBCOMMITTEE ON STRATEGIC FORCES
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SUBCOMMITTEE ON ENFRGY AND MINERAL RESOURCES SUBCOMMITTEE ON NATIONAL PARKS AND PUBLIC LANDS Thank you for your work to protect this critical sector of our nation's economy and to preserve the maximum number of jobs within this industry. I look forward to working with the Task Force to help independent dealers in Albuquerque get the answers they need.

Sincerely,

MARTIN HEINRICH Member of Congress